

by **Stefan Molyneux**

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For three main reasons, freedom can never be won by arguing for economic efficiency. Such efficiency is always debatable, inevitably rests on technical details obscure to most people, and is one of the topics most subject to government misinformation. In Canada, arguing that a free market will produce lower costs in health care, for instance, always brings the contrary example of the United States, and its high spending on medical costs. Refuting this misleading statistic requires exhaustive levels of detail, which the listener has likely never heard before, and which are easy to dismiss. Arguing that health care was cheaper before the government got involved is also unproductive, since people can easily argue that technology was far less advanced in the past, or that there were fewer old people, or less life-extending procedures and pills. The argument from efficiency is never conclusive, since it requires statistics, a mountain of specialized knowledge, enormous patience – and it can be derailed at any time by false, missing or incomplete information.

The argument from efficiency also requires near-omniscience. Arguing that the free market is more efficient – and how each of its supposed ‘inefficiencies’ always results from state intervention – requires detailed knowledge of literally dozens of fields. Explaining to someone why the California energy crisis resulted not from privatization, but state control, requires at least half an hour of lecturing on economics, history and regulation. Not a pleasant prospect! And even if the listener makes it through to the conclusion, he or she has just learned an interesting piece of history. He will not have the ability to extrapolate these facts into general principles of economics – even with help – let alone moral axioms regarding state violence.

You may be adept at arguing against anti-monopoly legislation by referencing the software industry – but what if your listener is well-versed in the steel sector? Telecommunications? Libraries? At some point, your knowledge will falter, and you will have to promise to get back to her. This is why so many freedom advocates rush from books to lectures to web sites for evidence – and risk turning themselves into terminal bores. It is an impossible quest.

Imagine instead that you are a 19th century abolitionist arguing against slavery. You say the slaves should be freed, and base your argument on economic efficiency. The objections you must overcome include the following:

- How on earth would freed slaves find jobs when the economy is so bad?
- You can't educate slaves – that's why they're slaves!
- Freed slaves have no job skills, and would just turn to crime.
- Slaves are the only efficient way to run agriculture.
- Slaves don't have any sense of responsibility – it would be cruel to give them their "freedom."
- There is no way you can run a plantation without slaves.
- They don't have any property, so they'd have to sell their labour to the plantation owner anyway – how would they be any more free?

As you can see, you would have to be an expert on a half-dozen fields just to answer a few of the objections that could be raised against your argument. The debate would quickly turn into a stalemate, as do all arguments for liberty based on economic efficiency.

The second reason that this approach fails is that people will never accept the risk of wrenching social

change for the sake of theoretical economic benefits somewhere down the road. Liberty advocates must always remember that they are playing with fire whenever they talk about a fundamental reorganization of society. Most such 'reorganizations' result in far worse conditions for the average citizen. People are generally terrified of fundamental change – and for good reason. A possible increase in economic efficiency will never motivate them to put their entire way of life at terrible risk.

The third reason why the efficiency argument can never win is that people don't really care about economic efficiency very much. Two quick examples. The first is parenthood. How could one argue that having children is economically efficient? They are expensive, exhausting and time-consuming – and few of the benefits of having children can be measured by economic statistics. This is an example of what generally motivates people. Not economic efficiency, but something else.

For another example, look at any wartime draft. When called up by their leader, men often flock to the slaughter without resistance. What is 'efficient' about that? One fundamental truth of human nature is that if people think that something is moral, they will bear almost any burden to support it. Women send their sons to war. Wives kiss their husbands goodbye. Children are proud of their father's murders.

As it is with war, so it is with state power. If people believe that the state helps the poor, or heals the sick, or educates the ignorant, they will bear any burden to support it. They may grumble at their levels of taxation, but will soldier on regardless.

So if the argument from economic efficiency does not work, what can? There are, in my view, two other main approaches. We will only deal with one here – the argument from *consistency* – and leave the other to the next article.

What is the argument from consistency? Well, people believe that it is moral for the government to use force to take from the rich and give to the poor. One effective argument against this is to ask whether this is a universal moral principle. If the person says "yes," then he has to agree that anyone can do it. A poor man can rob a rich man at gunpoint. Anyone who owns less than someone else can mug her, and shoot her if she resists. Is that the kind of world they believe would be good and just? Of course not. So, the principle that it is OK to use violence to transfer wealth has just been demolished. It is no longer a universal moral principle, but something else entirely.

This kind of argument does not require a sophisticated knowledge of history, economics, politics or any other detailed discipline. More importantly, it also does not require that the *listener* know any of these topics. All that is required is some gentle Socratic persistence.

Of course, the argument never ends there. People will come up with all sorts of nonsense about democracy, collective decisions and the transfer of moral authority to the state, but all those arguments are easy to demolish, as long as one does not forget that the state is nothing but a collection of individuals. Also, contracts that are entered into voluntarily are morally binding. Contracts that are enforced without consent are not. A man who buys a car must pay for it. A man who buys a car for a woman without her consent cannot compel her to pay for it. This is why centralized and enforced democratic 'decisions' are immoral.

So what does this look like in practice? Let's take a common example: health care. Most freedom advocates have run into the difficulty of unraveling the US mess in particular. The argument from consistency might look like this:

- Medical care must be entirely privatized.
- But it's more expensive when the State does not run it. Look at America!

- I don't believe so, but what if it is? Can I tell you how much you should spend on health care? Perhaps, in a free society, people would choose to spend half their income on health care. Would you tell them they cannot?
- But in the US, 30 million people don't have health insurance.
- That is the result of terrible government laws which drive the cost of insurance up, and the benefits down – but let's say that it is purely voluntary, that many people don't want health insurance. So what? Would you force them to take health insurance?
- But people *should* have health insurance!
- Why? What if it costs half their income, and they're eighteen, and very healthy, and take the bus, and don't skydive, and always cross at the light, and so on? For that person, health insurance would probably make no sense. They would be far better off getting themselves educated, or saving their money, or just taking the risk of getting sick. Health insurance is a very personal decision. I would never feel comfortable making that choice for someone else.
- But if that eighteen year old gets sick, they have to go to a public hospital, and so they incur a social cost.
- Yes, at present that is true, but it won't be the case if health care is privatized.
- So they'll just die in the streets?
- Would that bother you? Watching poor people die in the streets for lack of health care?
- Of course!
- So you would help them, right?
- Yes, / would, but...
- And so would just about everyone else. Everyone cares about such things. The very presence and acceptance of state-funded health care proves that people care about sick people who can't take care of themselves. So that won't be a problem. But even if it is – let's say that not one person in society cares about sick poor people, and they *do* die in the streets. If that is so, then giving the government more power would not help them, because such apathetic citizens would never vote for politicians who would care about the poor – and the politicians *themselves* would not care about the poor, since no one does. So – either people care about the sick and poor, and will help them without the government, or they don't, in which case the government won't help them either. The entire point of privatization is that we cannot force our own preferences on other people. If you prefer for everyone to have health insurance, I think that is wonderful! *You* should start up an insurance company and figure out how to provide it. Or support someone else who does. Or give to charity. Or become a doctor and work two days a week for free. Or pay extra for your own insurance so that others can pay reduced rates. There are thousands of ways to help. But the government cannot morally *force* people to give money to the poor, or provide them with free health care, because if it's moral to force charity, then anyone can do it. We must then grant poor people the moral right to grab guns and rob doctors and hospitals for themselves.

This approach, of course, rarely clinches the argument. But it might be instructive to notice that the above argument never appeals to the economic efficiency of the free market. One of the most powerful debating techniques is to assume that your opponent's premises are true, and then prove that they lead to absurd consequences. Thus, the argument which states that certain people may use violence on behalf of others – through taxation and welfare – can be easily countered by saying that, if it is the right thing to do, then everyone should be encouraged to do it. The government is then not needed – a moral person should just arm the poor directly and submit to their inevitable predations.

In conclusion, it is high time that freedom advocates bid a fond farewell to the argument from economic efficiency. It has been an instructive exercise for us to prove – at least to ourselves – that the free market can indeed provide the goods and services currently inflicted on society by brute state power, but it will never be stirring enough to motivate a larger movement. In the difficult march to a freer world, we need a

more powerful banner. The argument from consistency is a good first step – but our true banner is not efficiency, or consistency, but the morality and goodness which naturally stirs and rouses to action every noble intent in the hearts of men.

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